latest RBI figures, highlighting that the NRI community has withdrawn $ 1.3 billion from the commercial banks during April-December, 2004, as against a positive inflow of $ 3.7 billion in the corresponding period of the previous year;

(b) if so, the detailed reasons for the sudden reversal in NRI deposits; and

(c) what fresh initiatives are being taken to lure back the NRI community?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) No, Sir. The NRI deposits with Indian banks are steadily rising since 1991 till 2003-04. During the six months period from April to September, 2004, there was a marginal decline in deposits and the trend was reversed again from October-December, 2004. As on January 2005 (latest available) NRI deposits with Indian banks were USD 32582 million.

**NHB's scheme for Tsunami victims**

4238. SHRIMATI VANGA GEETHA: Will the Minister of FINANCE be pleased to state:

(a) whether the National Housing Bank has announced a concessional scheme to provide financial assistance to the people affected by Tsunami; and

(b) if so, the details of the schemes implemented in Tsunami affected States so far through the National Housing Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (d) The details of National Housing Bank's refinance concessional scheme for the Tsunami affected people are indicated Statement. (*See* below) NHB has not specified any eligibility criteria for the Primary borrowers under the scheme. NHB is extending assistance through the refinancing route. The Primary Lending Institutions availing refinance from NHB are free to identify the affected people and extend concessional finance as per their procedures. The concerned State Governments/Union Territories have been informed about the scheme. However, NHB has not received any proposal so far.

***Statement***

*Details of NHB's refinance concessional scheme for Tsunami affected people*

The National Housing Bank has launched a financial assistance scheme for housing on 31.12.2004 for the Tsunami affected victims. The financial assistance through refinance extended to Housing Finance Companies and scheduled Commercial Banks in respect of their housing loans in the affected areas, and through project assistance to public agencies. The salient feature of refinance assistance for housing by NHB are as under:

1. Objective — Refinance assistance to Scheduled Banks (SBs)/Housing Finance Companies (HFCs) to encourage construction of new houses/Flats as also major repairs (including extension and upgradation) of the existing housing stock in the Tsunami affected areas as notified by States/Union Territories and to assist such persons to have a shelter of their own by extending need-based housing loans to them.

2. Date of Implementation — *w.e.f.* 1.1.2005 to 30.6.2007

3. Eligibility criteria — HFCs already availing refinance from NHB are eligible for refinance under this special dispensation.

4. Scale of refinance

| Purpose of Loan | Maximum Size | Interest rate (% per annum) NHB to HFCs/SBc | HFCs/SBs to beneficiaries |
|---|---|---|---|
| Construction/ Purchase | Rs. 2,00,000/- | 5.00 | 6.5 |
| Repairs & Upgradation | Rs. 50,000/- | 5.00 | 6.5 |

The refinance assistance under special dispensation on fixed rate of interest.

5. Time limit and minimum size of claim — Within 12 months of the date from the disbursal of the loan by HFCs. Minimum amount of refinance claim should be Rs. 5.00 lakh.

6. Security — Mortgage of property or Government guarantee from the borrower in favour of HFCs/Scheduled Banks or such other security, at the discretion of HFCs/SBs with the charge properly created in its favour.

7. Security for refinance — As per existing arrangements with HFCs as may be decided by NHB from time to time.

8. Period of refinance — Repayable not exceeding 15 years including the moratorium period.

9. Moratorium — 2 years for NHB to HFCs and HFCs to borrowers.

10. The details of project finance by NHB are:

(a) Project Finance will be provided to Agencies undertaking construction of houses/repairs of houses.

(b) The cost of individual unit shall not exceed Rs. 2.00 lakh for new construction and Rs. 50,000 for repairs.

(c) Rate of interest to the implementing agencies (Public Housing Agencies or any agency notified for the purpose) will be 5.5% per annum.

(d) The loan is repayable in a maximum period of 20 years.

(e) The bank will provide loan upto 100% of the project cost.

**Effect of NPAs of the performance of banks**

4239. SHRI CHO. S. RAMASWAMY: Will the Minister of FINANCE be pleased to state:

(a) what is the total value of Non-Performing Assets of the Public Sector Banks individually for the last three financial years;

(b) what are the reasons for such huge NPAs of these banks;

(c) what steps are being taken to recover or write off these NPAs of the banks; and

(d) what is the effect of these NPAs on the performance of the banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The bank-wise details of net non-performing assets of public sector banks for the last three years ending March 2002, 2003 and 2004 are given in the Statement. (*See* below)

(b) There are various factors, internal to a bank and external to it, which lead to an asset turning non performing. The internal factors basically pertain to deficiency in credit appraisal and supervision, diversion of funds by the borrower and willful default in repayment and inefficient management of the unit financed. The external factors on the other hand are non-viability or sickness of the unit due to change in technology demand pattern and other policy etc., non-completion of project due to cost, time, overruns and other factors, such as non-availability of raw materials, labour problems, natural calamities, environmental factors such as pollution control, ecological damage and delay in disposal by courts/DRTs of suits filed by banks for recovery.

(c) Government and Reserve Bank of India has taken several steps to reduce non-performing assets which *inter-alia* include:—

- Banks are effecting larger number of compromise settlements through the forum of Lok Adalats.